

Press release

28 February 2022

ECB assesses that Sberbank Europe AG and its subsidiaries in Croatia and Slovenia are failing or likely to fail

- Assessment applies to the three entities under direct ECB supervision: Sberbank Europe AG, headquartered in Austria, and subsidiaries in Croatia and Slovenia
- Sberbank Europe AG is a fully owned subsidiary of Sberbank of Russia, which is majority owned by the Russian Federation
- Assessment follows deposit outflows as a result of the reputational impact of geopolitical tensions
- Depositors protected by national deposit guarantee schemes

The European Central Bank (ECB) has assessed that Sberbank Europe AG and its two subsidiaries in the banking union, Sberbank d.d. in Croatia and Sberbank banka d.d. in Slovenia, are failing or likely to fail owing to a deterioration of their liquidity situation.

The Austrian parent bank Sberbank Europe AG is fully owned by Public Joint-Stock Company Sberbank of Russia, whose majority shareholder is the Russian Federation (50% plus one voting share).

The ECB took the decision after determining that, in the near future, the bank is likely to be unable to pay its debts or other liabilities as they fall due.

Sberbank Europe AG and its subsidiaries experienced significant deposit outflows as a result of the reputational impact of geopolitical tensions. This led to a deterioration of its liquidity position. And there are no available measures with a realistic chance of restoring this position at group level and in each of its subsidiaries within the banking union.

Retail depositors are protected up to €100,000 per depositor per bank in the European Union. This protection is granted by the deposit guarantee schemes in place in [Austria](#), including for the German branch of the bank, [Croatia](#) and in [Slovenia](#).

European Central Bank

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In line with its mandate, the Single Resolution Board [needs to confirm](#) the ECB's failing or likely to fail assessment and will decide on and implement subsequent steps.

Sberbank Europe AG has subsidiaries in Bosnia and Herzegovina (both in the Federation of Bosnia and Herzegovina and in Republika Srpska), the Czech Republic, Hungary, and Serbia. The ECB has coordinated with national competent authorities in those jurisdictions throughout the process.

Facts about Sberbank

- Sberbank Europe AG is one of seven Austrian banks directly supervised by the ECB. It is headquartered in Vienna.
- The ECB assumed direct supervision of Sberbank Europe AG in 2014 when ECB Banking Supervision was established. The bank was deemed significant due to the extent of its cross-border activities.
- Sberbank Europe AG has subsidiaries in Bosnia and Herzegovina (both in the Federation of Bosnia and Herzegovina and in Republika Srpska), the Czech Republic, Croatia, Hungary, Slovenia and Serbia. It also has a branch in Germany.
- At year-end 2021, the bank had €13.6 billion in assets.

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Notes

- Failing or likely to fail is the classification used by supervisors for institutions that become non-viable. Resolution is the process of restructuring failing banks with minimum impact on the real economy and public finances. At the euro area level, it is run by the Single Resolution Board.
- Supervision Newsletter: [What happens when a bank is failing or likely to fail?](#)

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